domestic procurement of permitted items in terms of Department of Revenue notification issued for procurement from domestic sources.

Low patent approvals

1254. SHRI SITARAM YECHURY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that patent approvals from our Patent Office is very low in the last four years;

(b) if so, the details of approved patents, product-wise, country-wise, patent-holder-wise for the period mentioned above; and

(c) the reasons for minimum level of patent approvals?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) The number of the patents granted by the Indian Patent Office during the last four years has been showing a rising trend as under:

	2004-05	2005-06	2006-07	2007-08 (Up to 29.02.2008)
Patents Granted	1,911	4,320	7,539	10,769

Government has taken various measures to facilitate and encourage more patent filings and approvals.

The details about granted patents are periodically published in the Journal of the Patent Office, which is a public document available on the website of the Patent Office, namely, *http://www.ipindia.nic in.*

(c) Does not arise.

Retail trade by Multinational and corporate houses

1255. SHRI SHAHID SIDDIQUI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Multinational Companies and big corporate houses are allowed to enter into retail trade;

(b) did the Government work out its impact on small traders;

(c) has the Government worked out some norms and rules for establishing big Malls and retail stores;

(d) the details of these norms; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) As per the extant policy, Foreign Direct Investment (FDI) is not permitted in retail trade except in single brand product retailing. There is no restriction on the entry of big corporate houses and other domestic investors into the retail sector.

(b) Government has instituted a study to assess the impact of organized retailing on unorganized retail trade through Indian Council for Research on International Economic Relations (ICRIER). The terms of reference of the study are given in the enclosed Statement (*See* below). Government has also commissioned a study to the National Council of Applied Economic Research (NCAER) on Growth linkages of Foreign Direct Investment (FDI) in India which would focus on the impact of FDI on rural economy. The final reports are yet to be submitted by these organisations.

(c) to (e) Department of Industrial Policy and Promotion only deals with the FDI Policy in trading.

Statement

Copy of terms and reference of the Study by ICRIER

No. 12(47)/2006-FC
Government of India
Ministry of Commerce & Industry
Deptt. of Industrial Policy & Promotion
(FC Section)

New Delhi, dated the 2nd March, 2007

To

The Director & Chief Executive,
Indian Council for Research on
International Economic Relations (ICRIER)
Core 6A, 4th Floor,
India Habitat Centre,
Lodi Road, New Delhi-110003

Subject: The Impact of Organized Retailing on the Unorganized Retail Sector—A Study by ICRIER.

Sir,

I am directed to convey the sanction of the Government of India to a Study to be assigned to the Indian Council for Research on International Economic Relations (ICRIER) **on the Impact of organized retailing on the unorganized retail sector.**

Objective of the Study :

2. There has been considerable growth in organized retailing in the country in recent years and estimates show a much faster growth in the future. Major industrial houses have entered this area and have announced the future expansion plans. Transnational corporations are also seeking to come to India and set up retail chains in collaboration with Indian big companies. Divergent views have been expressed on the impact of the growth in the organized retail in the country. Concerns have been raised that the growth of organized retailing may have an adverse impact on the retailers in the unorganized sector. It has also been argued that growth of organised retailing will yield efficiencies in intermediary stages enabling higher prices or access to markets to producers (including farmers or small producers) or lower prices to consumers. To reconcile such variations, an in-depth analytical study on the possible effects of organized retailing in India is essential.

Terms of Reference

3. In order to assess the impact of growing organized retail on different aspects of the economy, ICRIER is appointed to carry out a study on organized retail focused on the following:

(i) Effect on small retailers and vendors in the unorganized sector keeping in mind the likely growth in the overall market

(ii) Effect on employment

(iii) Impact on consumers

(iv) Impact on farmers and manufacturers

(v) Impact on prices

(vi) Overall impact on economic growth

ICRIER will analyse the above in the context of a growth scenario of 7-10 per cent per annum in the next 5 years and in the light of practice in other fast growing emerging market economies.

Methodology

4. The study by ICRIER will involve the following:

- Literature survey of existing studies
- 4-5 case studies of established retail chains
- Interviews of major players in the organized retailing, manufacturers, and of producers including associations of farmers.
- Questionnnaire-based survey of unorganized retailers, including vendors especially around organized retail shops
- Questionnaire-based survey of consumers around the organized retail outlets

Timeline

5. The study is proposed to be time-phased as follows:

1.	Inception	1 March
2.	Literature survey and Questionnnaire design	30 March
3.	Pilot Survey	1—15 April
4	Review Workshop-1	30 April
5	Survey	1 May—15 June
6.	Interim Report	30 June
7.	Review Workshop-2	7 July
8	Final Report	15 July

Budget

6. Government has approved the budget for the above study is at Rs. 59.80 lakhs which would be met by the Department of Industrial Policy and Promotion.

7. This issues with the concurrence of IF Wing *vide* their Diary No. 4160/AS&FA dt. 1-3-2007.

Yours faithfully,

Sd/-

(Pramila Raghavendran)
Under Secretary to the Government of India,
Telefax: 23062327

FDI in SEZs

†1256. SHRI AMIR ALAM KHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the extent of Foreign Direct Investment or capital investment likely to be made in the Special Economic Zones;

(b) the number of indigenous and foreign companies likely to make the said investment in these Special Economic Zones;

(c) the number of Special Economic Zones approved so far and the extend of Foreign Direct Investment or capital investment made therein; and

(d) the extent of land alongwith the places where the same has been allotted to the above mentioned companies?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (d) 439 Formal approvals have been granted for setting up of Special Economic Zones under the SEZ Act, 2005, out of which 202 SEZs have been notified. In the newly notified Zones, investment of the order of Rs. 67347 crore has been made, of which Foreign Direct Investment is Rs. 2978 crore. In the newly notified SEZs, Letters of Permission have been granted for establishing 177 units. The land requirement in respect of the 439 formal approvals is of the order of 60,168 hectares, spread over 22 States/Union Territories. A Statement giving State-wise land area involved for the 439 formal approvals is enclosed.

Statement

State-wise details of land area involved for the 439 *formal approvals*

State	Total area of formal approvals (in hectares)
1	2
Andhra Pradesh	9595.381
Chandigarh	58.45
Chhattisgarh	10.77
Dadra & Nagar Haveli	117.75

†Original notice of the question was received in Hindi.